



July 28, 1999

Distillate Watch

Energy Information Administration
Office of Oil & Gas

NOTICE

EIA Releases Delayed and Revised Issues of the *Weekly Petroleum Status Report*

The Energy Information Administration (EIA) released on Wednesday, July 28, 1999, at 9:00 a.m., its scheduled publication of the Weekly Petroleum Status Report for the week ending July 23, 1999, as well as the delayed data for the week ending July 16, and revised data for the weeks ending July 2 and July 9, 1999.

The postponement of the July 16 publication and the associated revisions for the previous two weeks were the result of unforeseen problems in the computer systems used to collect and aggregate the petroleum supply data included in the report. In the process of completing routine enhancements to the software that imputes data for non-responding companies in the weekly processing system, a set of indexes became corrupted. This generated duplicate records in some data fields for those imputed companies. The greatest impact occurred in overstated product stock levels for the weeks ending July 2 and July 9. As a result, product supplied (demand) levels for those petroleum products were underestimated.

In addition to these revisions, crude oil stocks for PADD's 2, 3, and 4 have been revised to reflect resubmissions of survey data correcting earlier filings. Normally, EIA does not publish the impact of resubmissions on historical weekly data, but in this instance the need to reprocess prior weeks' data allowed the opportunity to include these revisions. Additionally, the historical impact of resubmissions on monthly data for the current year are published in Table C1 of the Petroleum Supply Monthly.

SUPPLY

- Very strong distillate fuel oil production that has averaged 3.4 million barrels per day (MMBD) over the past four weeks has caused total distillate stocks to reach 136.9 million barrels (MMB) as of July 23, 1999. Diesel inventory hit 69.6 MMB, while heating oil is at 67.3 MMB. Although PADD V refiners have been plagued by extended operational problems and a pipeline disruption, diesel production there has averaged nearly 0.4 MMBD and the current stock level of 8.3 MMB is actually 0.1 MMB greater than a year ago.
- This week, U.S. crude oil input was 15.3 MMBD with refiners utilizing 96.5 percent of their 16.1 MMBD operating capacity.

Distillate Production by Petroleum Administration for Defense District (Thousand Barrels per Day)

District	Total Distillate Week Ending					Low Sulfur (0.05% or less Sulfur) Week Ending				
	07/02/99	07/09/99	07/16/99	07/23/99	07/24/98	07/02/99	07/09/99	07/16/99	07/23/99	07/24/98
East Coast (PADD I)	407	473	525	447	440	154	255	221	235	144
Midwest (PADD II)	830	^R 849	880	813	884	603	^R 653	630	587	642
Gulf Coast (PADD III)	1,429	1,524	1,603	1,583	1,629	941	1,021	1,064	1,083	1,069
Rocky Mountain (PADD IV)	^R 144	150	146	135	124	^R 113	^R 128	116	110	101
West Coast (PADD V)	^R 405	^R 495	453	485	476	^R 328	^R 400	365	391	361
U.S. Total	^R 3,215	^R 3,419	3,607	3,463	3,553	^R 2,139	^R 2,457	2,396	2,406	2,317

Distillate Stocks by Petroleum Administration for Defense District (Million Barrels)

District	Total Distillate Week Ending					Low Sulfur (0.05% or less Sulfur) Week Ending				
	07/02/99	07/09/99	07/16/99	07/23/99	07/23/98	07/02/99	07/09/99	07/16/99	07/23/99	07/23/98
East Coast (PADD I)	^R 58.5	^R 61.0	62.4	63.4	65.3	^R 17.1	^R 18.9	18.3	18.7	19.2
PADD IX	15.2	^R 15.7	15.3	15.8	NA	2.0	^R 2.3	2.2	2.3	NA
PADD IY	^R 32.4	^R 33.4	35.8	36.3	NA	8.7	^R 9.3	9.4	9.5	NA
PADD IZ	^R 10.9	11.9	11.4	11.3	NA	^R 6.4	7.3	6.6	6.9	NA
Midwest (PADD II)	^R 30.8	^R 31.9	30.6	31.3	32.3	^R 20.8	^R 21.7	20.8	21.5	22.1
Gulf Coast (PADD III)	28.5	27.9	29.2	29.1	32.1	18.1	16.7	18.8	18.9	19.6
Rocky Mountain (PADD IV)	^R 2.7	2.9	2.6	2.6	2.9	^R 2.2	2.4	2.1	2.2	2.5
West Coast (PADD V)	^R 10.3	^R 10.9	11.3	10.5	11.2	^R 8.0	^R 8.5	8.9	8.3	8.2
U.S. Total	^R 130.8	^R 134.6	136.1	136.9	143.9	^R 66.2	^R 68.2	68.9	69.6	71.7

^R Revised.

* See the *Weekly Petroleum Status Report* Appendix A for a description of the derivation of average inventory levels.

For information about distillate supply data, contact the National Energy Information Center at (202)586-8800. Internet:

Infoctr@eia.doe.gov.

Source: Energy Information Administration, Weekly Petroleum Status Report (WPSR). Year-ago production data taken from comparable week last year; year-ago stock data interpolated from final Petroleum Supply Monthly data.

PRICES

- As of July 26, 1999, petroleum markets have yet to fully recover from a comment almost a week ago by the president of Venezuela's state oil company that the price for West Texas Intermediate crude oil should not be allowed to exceed \$22. The following day, statements that the country had no plans to change production levels came amid an industry report of a 5.5 million barrel build in crude oil stocks. The New York Harbor spot price for low sulfur diesel was down 0.53 cent to 52.95 cents per gallon on July 26, 1999. On the West Coast, two refineries, Chevron's Richmond and Tosco's Avon, along with the Olympic product pipeline continue to undergo repairs.
- The national average retail on-highway diesel fuel price rose over two cents in the last two weeks, almost half a cent most recently, to 113.7 cents per gallon on July 26, 1999, more than 10 cents higher than last year. The price rise in California stalled after posting a 2.1-cent gain three weeks ago on higher spot and presumably higher wholesale prices.

No. 2 Distillate Spot Prices by City (Cents per Gallon)

City	Low-Sulfur Distillate					High-Sulfur Distillate				
	07/06/99	07/12/99	07/19/99	07/26/99	07/27/98	07/06/99	07/12/99	07/19/99	07/26/99	07/27/98
New York	¹ 51.75	53.30	53.48	52.95	37.35	¹ 48.20	49.98	50.60	50.56	35.85
Chicago	¹ 51.43	53.95	54.35	53.64	37.73	NA	NA	NA	NA	NA
Houston	¹ 49.70	51.50	51.45	51.05	35.78	¹ 46.00	48.30	48.58	48.21	34.22
Los Angeles (CARB)	¹ 67.50	67.00	73.50	67.00	47.50	NA	NA	NA	NA	NA

Source: Reuters Information Services.

No. 2 Distillate Retail Prices by Petroleum Administration for Defense District (Cents per Gallon, Including Taxes*)

District	On-Highway Diesel Fuel					Residential Heating Oil				
	07/05/99	07/12/99	07/19/99	07/26/99	07/27/98	07/06/99	07/12/99	07/19/99	07/26/99	07/27/98
East Coast (PADD I)	108.1	109.4	111.2	111.8	102.7	<div>Prices Available During Heating Season Only (October through March)</div>				
PADD Ix	111.9	114.4	115.3	116.1	109.2					
PADD Iy	115.9	117.4	119.0	119.8	110.5					
PADD Iz	104.4	105.6	107.5	108.0	98.7					
Midwest (PADD II)	107.1	108.3	110.4	110.5	99.8					
Gulf Coast (PADD III)	105.7	107.3	109.7	110.1	100.0					
Rocky Mountain (PADD IV)	116.9	117.5	119.1	120.8	107.0					
West Coast (PADD V)	130.1	130.8	131.4	131.4	108.9					
California	139.9	142.0	142.1	141.9	115.7					
U.S. Average**	110.2	111.4	113.3	113.7	102.0					

Source: Diesel Fuel prices: Energy Information Administration, Form EIA-888, On-Highway Diesel Price Survey; Residential Heating Oil prices for PADDs I and II: from data supplied by 21 State Energy Offices (SHOPP prices) from October through mid-March.

* Taxes, if any, are not included in residential heating oil prices.

** Residential heating oil average is for PADDs I and II only.

NA =Not Available.

¹ Data for Monday, July 5, 1999 were not available due to the observance of the Independence Day holiday.

For information about distillate spot and diesel fuel retail price data, contact the National Energy Information Center: 202-586-8800; Internet: Infoctr@eia.doe.gov.